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October 8, 2014

NWN OPUC Advice No. 14-22

**VIA ELECTRONIC FILING**

Public Utility Commission of Oregon  
3930 Fairview Industrial Drive SE  
Post Office Box 1088  
Salem, Oregon 97308-1088

Attn: Filing Center

**Re: Schedule X “Distribution Facilities Extensions for Applicant-Requested Services and Mains” – New Construction and Planned Developments**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith revisions to its Tariff, P.U.C. Or. 25 to become effective with service on and after November 26, 2014 as follows:

First Revision of Sheet X-3,  
Schedule X,  
“Distribution Facilities Extensions for Applicant-Requested Services and Mains (continued);” and

First Revision of Sheet X-4,  
Schedule X,  
“Distribution Facilities Extensions for Applicant-Requested Services and Mains (continued).”

The purpose of this filing is to revise Schedule X to require the installation of conduit in the utility pathway for new construction and planned development service line installations, eliminating the option to leave the utility pathway open for the Company to complete the installation. An open pathway will still be required for main line installations within a planned development.

The conduit option has always been an available service line installation choice for builders, with about ninety percent of all Oregon builders already choosing this option. The Company provides the conduit at no charge, but the builder is required to pick up the conduit at the appropriate NW Natural service center. This process has worked very well for both the Company and for the builders for many years.

In an open pathway situation, time is of the essence. Changes in weather or in the builder's schedule can adversely impact the integrity of the pathway and can result in construction delays, wasted trips by the Company's crews, and wasted trip fees to the builder. The change to a conduit installation for service lines will eliminate the majority of the installation delays because the builder won't need to notify the Company until the service line conduit is installed, and any changes in weather or delays in the builder's schedule will have no impact on the Company crews that install service lines.

The Company has been surveying builders about this potential change and has received positive feedback and support. However, we do expect that for some builders a transition period will be needed beyond the requested November 26, 2014 tariff effective date. The Company's plan is to have all builders fully transitioned to the service line conduit installation requirement by January 1, 2015.

The Company requests that the tariff sheets filed herewith be permitted to become effective with service on and after November 26, 2014.

Copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at [www.nwnatural.com](http://www.nwnatural.com).

The Company waives paper service in this proceeding.

Please address correspondence on this matter to me with copies to the following:

eFiling  
Rates & Regulatory Affairs  
NW Natural  
220 NW Second Avenue  
Portland, Oregon 97209  
Telecopier: (503) 721-2516  
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Sincerely,

NW NATURAL

*/s/ Onita King*

Onita R. King  
Rates and Regulatory Affairs

attachments

**SCHEDULE X  
DISTRIBUTION FACILITIES EXTENSIONS  
FOR APPLICANT-REQUESTED SERVICES AND MAINS  
(continued)**

**CONSTRUCTION COSTS:**

Construction costs include all costs associated with the extension of the Company's Distribution Facilities. All costs applicable to this Schedule will be reviewed annually and updated as needed.

Construction costs for Service Line installations are based upon the Company's historical system average costs, except the Company may use a site-specific cost estimate if extraordinary construction conditions exist at the site. For purposes of this provision, extraordinary construction conditions include, but are not necessarily limited to:

- a) Extreme rocky conditions along the main or Service Line route.
- b) The connection must be made from a high pressure main.
- c) The Service Line is more than 700 feet in length.
- d) The installation requires a railroad, bridge, or other non-standard crossing permit.

In all cases, Main Extension costs will be based upon a site-specific cost estimate.

Where there is more than one Applicant for an installation that includes a Main Extension, the costs will be distributed equally among each of the Applicants, or in such other manner determined by the Applicants.

**REQUIREMENTS FOR NEW CONSTRUCTION AND PLANNED DEVELOPMENT INSTALLATIONS:**

This provision is applicable to any new construction installation or planned development project where the installation of Class B (less than or equal to 60 psig) Main is required, and where there are no existing buildings, roads, or other hard surfaces along the construction route.

For purposes of this provision, planned developments include but are not limited to, residential single-family subdivisions, residential multi-family developments, mixed-use developments, commercial and industrial parks, and any other similar project.

Except as otherwise provided in this provision, the Applicant must provide an open utility pathway for all Main located within the permitted area, and must install conduit in the utility pathway for all Service Line installations within the permitted area. The pathway and conduit must be installed in accordance with all applicable Company procedures, standards, and practices. The Company's installation requirements and installation procedures are available on the Company's website.

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The Company will provide:

- (a) Any necessary Main installations in existing public rights-of-way and outside of the permitted project area;
- (b) Conduit for crossings; and
- (c) If there are no other proposed utility crossings, tie-in installation for gas-only road crossings in existing public rights-of-way outside of the permitted area.

(continue to Sheet X-4)

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**SCHEDULE X  
DISTRIBUTION FACILITIES EXTENSIONS  
FOR APPLICANT-REQUESTED SERVICES AND MAINS**  
(continued)

**REQUIREMENTS FOR NEW CONSTRUCTION AND PLANNED DEVELOPMENT  
INSTALLATIONS (continued):**

The following installation schedule guidelines will apply:

	<b>MAIN*</b>	<b>SERVICE(S)</b>
Applicant Notification to Company	<u>No less than 7 Business Days</u> prior to start of pathway excavation	On the date that the conduit is installed
Company Installs Pipe	<u>No more than 7 Business Days</u> after confirmation that pathway is ready	<u>No more than 7 Business Days</u> from the date of notice that the conduit is installed
Estimated time from Notice to Installation	<u>No less than 14 Business Days</u> from Notice to Company	<u>No more than 7 Business Days</u> from the date of notice that the conduit is installed

\* Within the permitted area

Exceptions may be accommodated where extenuating circumstances arise. In such event, the Company and the Applicant will develop a mutually acceptable modified installation schedule.

For Main installations, an Applicant must promptly notify the Company of any known delays in the scheduled installation date. If the Company does not receive notice of a construction delay prior to dispatching a crew to the site, the wasted trip fee specified in **Schedule C** will apply.

In the event the Company fails to meet a scheduled Main installation date through no fault of the Applicant, the Applicant is not obligated to hold the utility pathway open, and the Company will be responsible for all costs associated with re-opening the utility pathway or constructing a new utility pathway (whichever shall apply).

The Company will construct the utility pathway for an Applicant, at the Applicant's expense, under the following circumstances:

1. When the Company determines that an Applicant-provided pathway is not required.
2. When, prior to commencement of construction, the Applicant requests that the Company provide the pathway. All costs associated with construction of the pathway must be received by the Company prior to commencement of construction.
3. When, after commencement of construction, for whatever reason, the Applicant is unable to provide the pathway and Applicant requests that the Company perform the work.

The Company will charge an Applicant to construct the utility pathway under conditions 2 and 3 above. The costs associated with the Company's construction of the utility pathway under this provision are incremental and separate from any other construction costs applicable to the installation, and must be paid in full to the Company prior to construction.

(continue to Sheet X-5)

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